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Briefly Speaking

B. Sp. No. 9 April 5, 1939

Farmer Can Use More of Industry's Products

In return for a total volume of agriculture production averaging in the last 2 years 6 percent greater than in 1929, the 1938 income per person living on farms would buy about 10 percent less of city goods than in 1929. But the average city person at the end of 1938 could buy 10 percent more in the way of food with his income than he could in 1929, even though factory production in the last 2 years averaged 20 percent less than in 1929.

Organized business has sought protection and economic security through stability in price and profits. Organized labor has sought to improve its economic position through wage rates, and organized farmers have likewise sought a fairer share of the national income through price policies.

Unorganized farmers, unorganized labor, and unorganized business feel that it is time for the leaders of industry, labor, agriculture, and government to work out policies that will bring abundance instead of scarcity of nonfarm goods.

Farmers have been producing abundant quantities of food and fiber, and while they want to avoid unmarketable surpluses, they want to keep on providing ample quantities to supply people's ordinary needs. They want to supply additional consumption for those of low incomes. But in their view it is high time for the other groups to begin to think in constructive terms about the need for producing and distributing greater quantities of manufactured commodities. Farmers are interested in the welfare of labor, in labor's income, and in labor's ability to purchase more farm products. They don't want to climb up by pulling labor down, for they know that any group that gets an advantage will not be able to keep it if other groups are hurt.

What farmers really want is for industry and labor to get busy and match the abundance of agriculture. There is a triple reason for this. One is that farmers themselves are suffering from a scarcity of manufactured goods. The second is that unemployment in the cities cuts into the market for farm products, and reduces the amount of cash farmers can get for what they raise. The third is that farmers would like to see city jobs open up for the boys and girls for whom there is no opportunity on the farm.—*Secretary Wallace at Des Moines, Iowa, February 18, 1939.*

Farm employment has declined in the last 30 years despite a marked increase in agricultural production. Approximately 10,700,000 farm-family and hired workers in 1938 produced 25 to 30 percent more farm products than 12,200,000 workers produced in 1909.

The net decrease in average employment for the entire 30-year period from 1909 through 1938 was 1,500,000 workers. Whereas in 1909, there was an average of 9,300,000 farm-family workers employed, in 1938 there were 8,200,000. In 1909 monthly employment of hired farm workers averaged 2,900,000 and in 1938 only 2,500,000.—*Agricultural Situation, February 1939.*

Big Wheat Supply Cuts Into Income

Cash income from wheat produced in the United States during the past 3 years has fluctuated rapidly and over a wide range in response to changing supply and demand conditions, the Bureau of Agricultural Economics said in the fifth of a series of reports on commodity income estimates dating back to 1910. The high income of $1,772,387,000 in 1919 and the depression low of $199,757,000 in 1932 are the extremes in the 29-year record.

Income from wheat in 1937 was reported as $602,971,000 and exceeded the pre-war average of 1910–14 for the first time since 1929. Income from the larger quantity of wheat sold in 1938 was estimated at $432,691,000, about 28 percent smaller than the 1937 income and somewhat below the pre-war average. The 1937 average price of $1.03 per bushel, compared with 69 cents in 1938, more than offset the larger sales in the past year. * * *

The large wheat crop in 1938, the Bureau points out, following the large crop in 1937, and associated with large world supplies, resulted in lower prices and income.

Prices received by producers are affected more by world supplies and general price-level movements than by quantities of wheat for sale in the United States.—*U. S. D. A. Press Release, 1328–39–1.*

Compiled by the Division of Information, Agricultural Adjustment Administration, United States Department of Agriculture from official and unofficial sources for the information of committeemen and others cooperating in the administration of the A. A. A. programs.

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Own Wheat in Europe Cuts Trade for World

Europe takes and probably will continue to take about 80 percent of the wheat exported by the surplus-producing countries. There is little chance that other parts of the world will take the place of Europe as a market for wheat. * * * The European countries want less wheat now than they did 10 or 15 years ago because their governments have stimulated production of wheat by their own farmers, and cut down the amount imported and also the amount consumed. * * *

Great Britain is guaranteeing prices of wheat for her farmers, at around $1.30 a bushel, and they have stepped up production by one-third in the past few years; the result is that British import needs are not increasing.

Italy likewise gives her farmers a guaranteed price for wheat of about $2 a bushel, which has stepped up their production. At the same time the Italian Government has cut down the need for wheat by forcing the mixture of substitute flours and meals with wheat flour. Italy now is importing only around 20,000,000 bushels of wheat a year. She formerly took about 80,000,000 bushels.

Germany has cut her imports of wheat from around 70,000,000 to around 15,000,000 bushels by the same sort of measures—guaranteed price to stimulate home production, and regulations forcing mixture of other cereals or potato flour with wheat flour.

France has become self-sufficient in wheat production and in some years is an exporter.

The other European wheat-importing countries have also restricted imports and encouraged domestic production.—*L. A. Wheeler, Chief Foreign Agricultural Service, on National Farm and Home Hour.*

Tariffs

Tariff duties were placed upon dairy products by the first tariff act of the United States. The Tariff Act of 1789—the second law passed by Congress under our present constitution—made cheese dutiable at 4 cents per pound and "all other" dairy products dutiable at 5 percent ad valorem—that is the duty was 5 percent of the price. Since that time all of our tariffs have included duties on dairy products. *Economic Information for Wisconsin Farmers, Extension Service of the Wisconsin College of Agriculture, December 1938.*

Conservation Aids Income

In a comparative study designed to measure the effect of conservation practices in the LeRoy, Ill., Soil Conservation project area, where farm records have been kept for the past 3 years, 30 farms cooperating with the conservation program were matched with an equal number of noncooperating farms on the basis of number of acres, soil ratings, proportions of land tillable, and land valuation. * * *

Cooperating farms in 1935, the first year the program was under-way, had an advantage in net income of $372 per farm and this advantage increased to $681 a farm for the year 1937.

To date the farm record shows clearly that a planned program of soil conservation and erosion control not only makes possible higher farm income but also provides for maintenance and improvement of soil resources and farm improvements, hence adds to the capital assets of the farm.—*Illinois Farm Economics, University of Illinois, January 1939.*

Tariff Cuts Aid Farmers

Will the reductions in tariff duties granted under the Reciprocal Trade Agreements lower dairy prices? The trade agreement signed with Canada and with several European countries reduce our tariff duty on some dairy products—principally certain types of cheese. * * * Gains to dairymen from lowering our tariffs on industrial products and from foreign countries lowering their tariffs on certain of our farms products—such as the reduction by Great Britain in her tariffs on wheat and lard—may easily offset the small losses which may result from the reduction in the duties on dairy products.

Lowered industrial tariffs may mean lower prices of things farmers buy and more industrial production if our industry is forced to meet foreign competition. Better foreign markets for wheat and lard may help keep wheat and hog farmers from becoming dairymen. Measures to increase domestic purchasing power offer greater hope as a means of increasing the income of dairy farmers than do tariffs to keep out foreign products.—*Economic Information for Wisconsin Farmers, Extension Service, Wisconsin College of Agriculture, September 1938.*

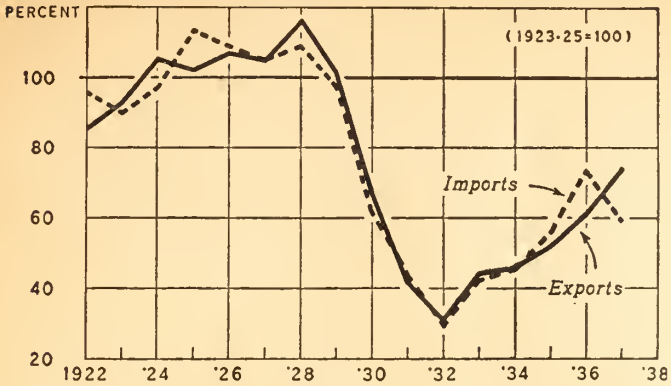
Shelterbelt Trees Live

An average survival of more than 61 percent was reported for all tree species planted in field windbreaks of the prairie plains during 1938 by the Prairie States Forestry Project of the Forest Service, United States Department of Agriculture. Survival of the nine species most commonly planted was 72 percent. The count was made on farms in the Dakotas, Nebraska, Kansas, Oklahoma, and the Texas Panhandle. * * *

The survival compares favorably with the average survival of 70 percent reported for forest-tree planting in all parts of the Nation since 1924 by State, Federal, and private agencies, farmers, and others. The Forest Service reports that few trees have died after the first year or two. * * *

The 6,871 miles of tree strips now planted are already demonstrating their value in protecting crops and soils on about 2,000,000 acres of farm land. Some of the trees planted in 1935 are 20 to 30 feet or more high, the Forest Service says, and protect crops and land from wind injury for 20 or more times that distance.—*U. S. D. A. Press Release 1364-39.*

EXPORTS DEPEND UPON IMPORTS



How Farmers Spend Income

The expenditure by farm families for food still takes first rank. In recent years, however, increased expenditures for the automobile and household operation have put the clothing outlay down in fourth place. The tendency has been to spend more money, especially on radios, automobiles, and electricity. A study made in 1922–24 showed less than one-tenth of the total money spent by the farm family going to the automobile; whereas a similar study in 1935–36 showed one-sixth spent on the car. Electricity now is used on 18 percent of all farms, as compared with 13 percent in 1930.

The probability is that any increase in income which may materialize in 1939 will be used in line with the general tendency of farm families to pay debts, make investments in farm business, and toward modernization of such items as radios, automobiles, and electrical equipment.—*The Farm Outlook for 1939.*

Farms Renew Population

The cities have an interest in farm population. If the urban birth rate continues to fall, the middle-aged and elderly in the cities will become increasingly dependent on the rural regions for youth to do their daily toil. The number of children under 5 years of age in the urban population has decreased probably 20 percent during the last 10 years, and the number of persons over 65 years of age has increased probably 50 percent. * * *

The Nation as a whole clearly has an interest also in the rural population, for in all likelihood most of the citizens a century hence will be descendants of the rural people of today. Among the rural people the birthrate generally is highest, and doubtless will remain highest, among people living in the less fertile areas. * * *

Whether the youth who migrate from these areas to the cities and the better farming regions will be educated and prepared for life's labors, or will remain more or less ignorant and unskilled, joining in large numbers the groups of the unemployed, will depend not only upon local resources, and school facilities which are generally meager but also upon national policy. These youth in the poorer regions constitute a great national problem, but also a great national resource.—*U. S. D. A. Miscellaneous Publication No. 265.*

Change Looms as Result of New Tractor

We are apparently well into a new period in American agriculture—the era of rubber-tired farming. The operator of the family sized farm is offered a "pony size," streamlined, pneumatic-tired tractor that weighs about one-half as much as the old type small farm tractors, sells for approximately half the price and travels about twice as fast. Great adjustments will undoubtedly result.

This development in tractor design will work greatly to the advantage of the owners of small farms and part-time farmers. These tractors are adapted not only to field work but to hauling on hard-surfaced roads and will do many chores on the farm, such as sawing wood, pumping water, etc.

If the new tractors are adopted with great rapidity, as appears likely, the resultant displacement of farm workers may cause additional rural relief difficulties unless new demands for work in other fields arise. Displacement of acreage now being used to feed horses that may be replaced by small tractors may also increase the difficulties of crop adjustment, making it all the more necessary for farmers to take part in a national cooperative program looking toward production and marketing adjustment and control.—*From speech by J. F. Cox, Agronomist, A. A. A.*

Grass Land Gains Under A. A. A. Plan

In the last 60 years, this country has sacrificed its grassland at a great rate. Since 1880, plows with breaker bottoms have sliced through the end of about two-thirds of all the grassland that's suitable for crops.

But now the trend is just the other way. Farmers are putting much of the land back into grass. For example, many farmers are cooperating with the Soil Conservation Service to demonstrate to others the advantages of growing grass. They expect to put 750,000 acres of land back into grass within the next 5 years. Other farmers have been putting several million acres of land into grass during the last few years under the Agricultural Adjustment programs.

Under the Triple-A program in 1936 and 1937 farmers made new seedings of perennial grasses on nearly 5,750,000 million acres. Figures are not available so far to show the seedings for 1938 or before 1936. In addition to the new seedings of perennial grasses in 1936 and 1937, farmers cooperating in the A. A. A. program made new seedings of legumes and legume mixtures on 53,500,000 acres. The new seedings do not necessarily show a net shift from cultivated land to the use of grass and legumes, but they do indicate a very definite trend toward the greater use of grasses and legumes.—*U. S. D. A. Farm Flashes.*

As Cotton Income is Cut, Feed Crops Gain

In the past the production of corn and other feed crops in the South has increased when the income from cotton was down and decreased when the income from cotton was up. The income from cotton dropped from $1,428,000,000, the average of 1928 and 1929, to $464,000,000 in 1932, a decline of 67 percent; the acreage of feed crops in the South was increased 22 percent during the same period. The increase in the acreage of feed crops in 1930, 1931, and 1932 was similar to the increase in the acreage of these crops in the nineties when the income from cotton was reduced. A similar increase took place in 1920 and 1921 when cotton income was reduced well below that of the immediately preceding years. * * *

The average annual production of feed grains, including grain sorghums, but not including legume hay, for the 10 leading cotton States, expressed in corn equivalent, during the 1928–32 period was 526,000,000 bushels. In 1932 it was 583,000,000 bushels. During the 1933–38 period the production of feed grains, in corn equivalent, in these same States averaged 507,000,000 bushels. The reduction from the 1928–32 period was nearly 4 percent and the reduction from 1932 was about 13 percent. The data by years are as follows:

Feed Grains—Production in 10 Cotton States

Year	Production [1]	Decrease from 1932
	Bushels	*Percent*
1928–32 average	525, 638, 000	----------
1932	583, 354, 000	----------
1933	477, 331, 000	18. 2
1934	408, 495, 000	30. 0
1935	565, 924, 000	3. 0
1936	441, 500, 000	24. 3
1937	563, 539, 000	3. 4
1938	581, 785, 000	. 3
1933–38 average	506, 429, 000	13. 2

[1] Corn, barley, oats, and grain sorghums in terms of corn equivalent.

—*J. B. Hutson, Assistant Administrator, A. A. A., at American Farm Bureau Federation, New Orleans, Dec. 12, 1938*

Range Land Improved

In general, the most popular practices under the range program in 1937 in all regions were deferred grazing and the construction of reservoirs. Altogether, grazing was deferred or limited on about 15,000,000 acres of land in 1937, and 20,000 to 25,000 reservoirs were constructed. The construction of reservoirs is in line with the general desire to obtain conservation and water control through the impounding of floodwaters at the heads of the small washes and streams. In addition, such reservoirs serve as convenient storage for stock water, and so enable a better distribution of range livestock over the grazing area.

Deferred grazing is easily the most important part of the range program from the standpoint of strict conservation. Under this practice, ranchers are required to keep livestock off a certain portion of their range from the start of forage until seed maturity. Since payment will be made in any one year for deferring as much as 25 percent of the land in each ranching unit, ranchers can obtain the full seed crop of grass on every part of their range over a 4-year period by deferring grazing on one-fourth of the range each year and rotating the areas deferred.—*Agricultural Adjustment, 1937–38, Report of the A. A. A. Administrator.*

New England Aided After Hurricane

A special conservation program for the areas of New England and Long Island damaged by the September hurricane has been announced. The program establishes an additional farm-forestry practice supplementing those provided in the 1939 Agricultural Conservation program. Payments for this practice will be in addition to those provided by the conservation program, and will be at the rate of $4 per acre of farm woodland which constitutes a serious fire hazard as the result of hurricane damage. The maximum payment for any farm will be $60. These payments may be earned by cleaning up woodlands to permit new growths. * * *

The Forest Service has warned of the danger of forest fires, as disastrous as the hurricane itself, unless slash and debris is removed. Estimates of the Forest Service place the amount of timber blown down by the September storm at 4,000,000,000 board feet, which is eight times the average annual cut in New England. Nearly half of the farm land in the area damaged by the storm is in timber which contributes substantially to the farm income of New England. Scenic and recreational attractions of the New England forests also bring millions of dollars annually to the region in tourist business.—*U. S. D. A. Press Release, 1141–39.*

Cotton Exports

Most foreign nations need and want cotton and few trade barriers have been erected to exclude it. It is not trade barriers designed to bar its importation so much as the lack of foreign purchasing power which has caused export markets for American cotton to shrink.

The world could easily double its cotton consumption, for cotton supplies a fundamental human want. As is true of most commodities, cotton consumption does not remain static. If we can build up through increased trade foreign purchasing power and dollar exchange, America will be able to sell more cotton.—*Francis B. Sayre, Assistant Secretary of State at Charleston, S. C.*

The average railway haul of fresh fruits and vegetables is about 1,400 miles. The average railway haul of all commodities is 350 miles.—*Agricultural Situation, November 1938.*

U. S. GOVERNMENT PRINTING OFFICE: 1939